

**BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2021-117-S – ORDER NO. 2021-____
_____, 2021**

IN	Petition of Palmetto Wastewater)	ORDER
RE:	Reclamation, LLC for Leave to)	
	Substitute Bond for Letter of)	
	Credit and Request for Waiver)	
	or Notice by Publication, and a)	
	Request for Expedited Review)	
)	

I. INTRODUCTION

This matter comes before the Public Service Commission of South Carolina ("Commission") on the Application of Palmetto Wastewater Reclamation, LLC. ("PWR" or "Company"). By its Application, PWR requests leave to substitute a Performance Bond for the Letter of Credit ("LOC") now on file with the Commission as security for the performance of PUI's obligation to provide wastewater service as a public utility.

II. PROCEDURAL HISTORY

PWR filed its verified Application with the Commission on March 29, 2021. PWR was represented by Charles Terreni, Esquire. The South Carolina Office of Regulatory Staff ("ORS"), a party of record pursuant to S.C. Code Ann. § 58-41-10(B) (Supp. 2019), was represented by Jeffrey M. Nelson, Esquire. The Company requested expedited consideration of its application without publication of notice. PWR's letter of credit expires April 30, 2021 and the Company seeks to avoid interruption of security for its operations.

III. EVIDENCE OF RECORD

According to its Application, PWR is a Class A Wastewater utility. It now has on

file with the Commission a LOC in the amount of \$350,00, the maximum amount provided for in the Commission's regulations. PWR proposes to post a Performance Bond in the same amount guaranteed by Atlantic Specialty Insurance Company, a national insurer rated "A+" by the AM Best agency. The ORS filed a review letter on April 1, 2021, stating no objection to the Company's request. PWR also informed the Commission that it converted its status from a limited liability company to a corporation on September 24, 2020, causing its name to change to "Palmetto Wastewater Reclamation, Inc."

IV. LAW

A wastewater utility is required to have a performance bond on file with the Commission. S.C. Code Reg. § 103-512.3. The amount of bond:

"shall be based on, but not limited to, the total amount of the following categories of expenses for twelve months: Operation and Maintenance Expenses, General and Administrative Expenses, Taxes Other Than Income Taxes, Income Taxes, and Debt Service including Interest Expenses. The minimum amount of the bond shall be \$ 100,000 and the maximum amount of the bond shall be \$ 350,000 based on the verified expenses of the utility for the preceding twelve-month period."

S.C. Code Reg. § 103-512.3.1

V. DISCUSSION

Based upon the evidence of record, PWR's request to substitute the performance bond for its letter of credit is reasonable and in the public interest. PWR proposes to substitute a performance bond in the maximum amount provided for in the Commission's regulations with a letter of credit in the same amount. The surety for the proposed performance bond is highly rated. Also, ORS does not object to PWR's request.

I. FINDINGS OF FACT

1. The Commission finds the proposed performance bond is for the maximum amount provided by the Commission's regulations and is consistent with the ORS' recommendation.

2. The proposed performance bond is backed by a sufficient surety with an A+ rating by a nationally recognized credit rating agency.

VI. CONCLUSIONS OF LAW

1. The Commission concludes PWR's request to substitute the proposed performance bond for its letter of credit on file with the Commission should be granted.

2. The performance bond submitted by PWR satisfies the requirements of S.C. Code Reg. § 103-512.3.1.

3. Expedited consideration of this application is appropriate. Neither published notice nor a hearing are required by the Commission's regulations or precedent.

ORDERING PROVISIONS

IT IS THEREFORE ORDERED:

1. The Application of PWR to substitute a performance bond for its letter credit is approved.

2. PWR shall deliver a performance bond with original signatures to the Commission within seven days of this Order.

3. PWR shall apply for approval to change its name to Palmetto Wastewater Reclamation, Inc. within ten days of this Order.

4. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION

Justin T. Williams, Chairman
Public Service Commission of
South Carolina